

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 60 - HB 55**

February 11, 2015

**SUMMARY OF BILL:** Creates a new circuit court in the 19<sup>th</sup> judicial district (Montgomery and Robertson Counties) to be designated as division IV effective September 1, 2015. The Governor will appoint the judge to serve. The judge shall serve until September 1, 2016 or until his/her successor is elected. The citizens of the 19<sup>th</sup> judicial district will elect the judge beginning with the general election in August 2016.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$271,100/FY15-16  
\$295,600/FY16-17 and Subsequent Years**

**Assumptions:**

- The bill creates a new judgeship in the 19<sup>th</sup> judicial district. According to the Administrative Office of the Courts (AOC), the bill would also require the AOC to hire a secretary for the judge. The judgeship is created during the 2015-2016 fiscal year, but is only effective for 10 months.
- According to the AOC, a judge's salary is \$165,676. The salary and benefits for a judge are \$219,547.96 [ $\$165,676 \text{ salary} + (\$165,676 \times 0.2287) \text{ benefits} + (\$117,000 \times 0.062) \text{ social security} + (\$165,676 \times 0.0145) \text{ Medicare} + \$6,325.56 \text{ insurance}$ ].
- According to the AOC, the judge position will require additional recurring costs of \$25,800 (\$3,600 travel + \$10,800 rent + \$2,400 utilities + \$2,400 communications + \$600 printing + \$3,000 books/online services + \$3,000 supplies) and one-time costs totaling \$23,000 (\$15,000 furniture/equipment + \$8,000 books/online services).
- According to the AOC, the salary for a secretary is \$34,800. The salary and benefits for a secretary are \$49,018.20 [ $\$34,800 + (\$34,800 \times .1503) \text{ benefits} + (\$34,800 \times .0765) \text{ FICA} + \$6,325.56 \text{ insurance}$ ].
- According to the AOC, the secretary will require recurring costs for travel totaling \$1,200 and one-time costs for furniture/equipment totaling \$1,800.
- The bill will result in a one-time increase in expenditures of \$24,800 (\$23,000 + \$1,800).
- The bill will increase recurring state expenditures by \$246,295 in FY15-16 [ $(\$219,547.96 + \$25,800 + \$49,018.20 + \$1,200) \times .8333 \text{ adjustment to reflect only 10 months of costs in this fiscal year due to September 1 effective date}$ ].
- The total state expenditures for FY15-16 are estimated to be \$271,095 (\$24,800 + \$246,295).

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- The bill will increase state expenditures by \$295,566.16 in FY16-17 and subsequent years (\$219,547.96 + \$25,800 + \$49,018.20 + \$1,200).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "Jeffrey L. Spalding". The signature is written in a cursive style with a large, stylized "J" and "S".

Jeffrey L. Spalding, Executive Director

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